109TH CONGRESS 1ST SESSION

H. R. 2753

To amend the Federal Election Campaign Act of 1971 to provide for public funding for House of Representatives elections, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

June 7, 2005

Mr. Andrews introduced the following bill; which was referred to the Committee on House Administration

A BILL

To amend the Federal Election Campaign Act of 1971 to provide for public funding for House of Representatives elections, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Public Campaign Fi-
- 5 nancing Act of 2005".
- 6 SEC. 2. PUBLIC FUNDING FOR HOUSE OF REPRESENTA-
- 7 TIVES ELECTIONS.
- 8 The Federal Election Campaign Act of 1971 is
- 9 amended by adding at the end the following new title:

1 "TITLE V—PUBLIC FUNDING FOR

2 HOUSE OF REPRESENTA-

3 TIVES ELECTIONS

- 4 "SEC. 501. QUALIFICATIONS FOR PUBLIC FUNDING.
- 5 "A House of Representatives candidate qualifies for
- 6 public funding if, as determined by the Commission—
- 7 "(1) at least 6 weeks before the general elec-
- 8 tion, the candidate obtains the signatures of 3 per-
- 9 cent of the registered voters in the congressional dis-
- 10 trict involved; or
- "(2) the candidate is the candidate of a political
- party, the candidate of which, in the preceding gen-
- eral election, received more than 25 percent of the
- vote.
- 15 "SEC. 502. LIMITATIONS ON CONTRIBUTIONS TO QUALI-
- 16 FYING HOUSE OF REPRESENTATIVES CAN-
- 17 **DIDATES.**
- 18 "(a) Individual Contributions Requirement.—
- 19 A qualifying House of Representatives candidate may not
- 20 accept contributions other than contributions from individ-
- 21 uals that total not more than \$100 per individual per elec-
- 22 tion cycle.
- 23 "(b) In-State Contribution Requirement.—
- 24 With respect to each reporting period for an election, at
- 25 least 80 percent of the total sum of contributions accepted

| 1 | by a qualifying House of Representatives candidate shall |
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| 2 | be from the State in which the congressional district in- |
| 3 | volved is located. |
| 4 | "SEC. 503. USE OF PUBLIC FUNDING. |
| 5 | "(a) In General.—A qualifying House of Rep- |
| 6 | resentatives candidate may use public funds only for— |
| 7 | "(1) buying time on radio, cable, or television |
| 8 | broadcast stations; |
| 9 | "(2) buying rental space on billboards or other |
| 10 | outdoor signs; |
| 11 | "(3) buying advertising space in magazines, |
| 12 | newspapers, periodicals, and other advertising |
| 13 | media, including theaters, the Internet, and the |
| 14 | worldwide web; |
| 15 | "(4) payment of the cost of producing adver- |
| 16 | tisements for media referred to in paragraphs (1), |
| 17 | (2), and (3); |
| 18 | "(5) procurement of computerized campaign |
| 19 | software, voter lists, and other voter contact tools; |
| 20 | "(6) payment of the cost of printing and mail- |
| 21 | ing campaign literature; |
| 22 | "(7) payment of the cost of telephone expenses; |
| 23 | "(8) payment of legal and accounting costs as- |
| 24 | sociated with campaigning; |
| 25 | "(9) payment of campaign employees' salaries; |

| 1 | "(10) payment of the cost of campaign office |
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| 2 | equipment and supplies; and |
| 3 | "(11) payment of incidental expenses of the |
| 4 | candidate, such as travel and food. |
| 5 | "(b) Specific Exclusion.—A qualifying House of |
| 6 | Representatives candidate may not use public funds under |
| 7 | this title to pay the candidate a salary or personal mort- |
| 8 | gages. |
| 9 | "(c) Calculation of Public Disbursement.— |
| 10 | "(1) In general.—A qualifying House of Rep- |
| 11 | resentatives candidate shall receive public funds |
| 12 | closely approximating the cost of procuring $2\frac{1}{2}$ |
| 13 | hours of television commercial time on local tele- |
| 14 | vision stations in the district's media markets. |
| 15 | "(2) Criteria for determining amount.— |
| 16 | An exact amount of the funds provided to a can- |
| 17 | didate under this section shall be determined by the |
| 18 | Commission, using— |
| 19 | "(A) the average cost of a media point per |
| 20 | media market, as defined by Arbitron Area of |
| 21 | Dominant Influence, for the 4th quarter of the |
| 22 | preceding calendar year; and |
| 23 | "(B) a multiplier of 5,000 media points. |

- 1 "(3) USE OF FUNDS.—The funds provided
- 2 under this section may be used for any purpose
- 3 specified in subsection (a).
- 4 "(d) DISBURSEMENTS.—The Commission shall make
- 5 disbursements of public funds under this title upon sub-
- 6 mission of evidence that an eligible expense has been in-
- 7 curred. No disbursement may be made with respect to an
- 8 expense incurred more than 4 months before the election
- 9 involved.

10 "SEC. 504. MAXIMUM AMOUNT OF PUBLIC FUNDING.

- 11 "(a) IN GENERAL.—The maximum amount of public
- 12 funding that a qualifying House of Representatives can-
- 13 didate may receive is \$750,000.
- 14 "(b) Indexing.—The amount under subsection (a)
- 15 shall be increased as of the beginning of each even-num-
- 16 bered calendar year, based on the increase in the price
- 17 index determined under section 315(c), except that the
- 18 base period shall be calendar year 2003.

19 "SEC. 505. TELEVISION DEBATE REQUIREMENT.

- 20 "A qualifying House of Representatives candidate
- 21 shall be required to participate in at least 2 televised de-
- 22 bates, organized by a bipartisan or nonpartisan group, in
- 23 the congressional district media market.

| 1 | "SEC. 506. REQUIREMENT FOR ACCEPTANCE OF ADVER- |
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| 2 | TISING BY RADIO AND TELEVISION STA- |
| 3 | TIONS. |
| 4 | "(a) In General.—Each radio station and each tele- |
| 5 | vision station shall be— |
| 6 | "(1) required to accept orders for advertise- |
| 7 | ments to be paid for under this title until such ad- |
| 8 | vertising constitutes 40 percent of the station's total |
| 9 | advertising time; and |
| 10 | "(2) subject to random periodic examination of |
| 11 | advertising charges paid under this title to ensure |
| 12 | that such charges are correct. |
| 13 | "(b) Condition of License.—The continuation of |
| 14 | an existing license, the renewal of an expiring license, and |
| 15 | the issuance of a new license under section 307 of the |
| 16 | Communications Act of 1934 (47 U.S.C. 307) shall be |
| 17 | conditioned on the agreement by the licensee to abide by |
| 18 | the provisions of subsection (a)(1). |
| 19 | "SEC. 507. DEFINITIONS. |
| 20 | "As used in this title— |
| 21 | "(1) the term 'House of Representatives can- |
| 22 | didate' means a candidate for the office of Rep- |
| 23 | resentative in, or Delegate or Resident Commis- |
| 24 | sioner to, the Congress; |
| 25 | "(2) the term 'qualifying House of Representa- |
| 26 | tives candidate' means a House of Representatives |

1 candidate who qualifies for public funding under this 2 title; and "(3) the term 'congressional district media mar-3 ket' means, with respect to a congressional district, 5 the media market of that district, as determined 6 from the licensing records of the Federal Commu-7 nications Commission.". 8 SEC. 3. REPORTING REQUIREMENTS. 9 (a) Reports by State Committees.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 10 434) is amended by adding at the end the following new 12 subsection: 13 "(i) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may 14 15 allow a State committee of a political party to file with the Commission a report required to be filed under State 16 law if the Commission determines such reports contain 18 substantially the same information.". 19 (b) Other Reporting Requirements.— 20 (1)COMMITTEES.—Section Authorized 21 304(b)(4) of such Act (2 U.S.C. 434(b)(4)) is 22 amended— (A) by striking "and" at the end of sub-23 24 paragraph (H);

| 1 | (B) by inserting "and" at the end of sub- |
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| 2 | paragraph (I); and |
| 3 | (C) by adding at the end the following new |
| 4 | subparagraph: |
| 5 | "(J) in the case of an authorized com- |
| 6 | mittee, disbursements for the primary election, |
| 7 | the general election, and any other election in |
| 8 | which the candidate participates;". |
| 9 | (2) Names and addresses.—Section |
| 10 | 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is |
| 11 | amended— |
| 12 | (A) by striking "within the calendar year"; |
| 13 | and |
| 14 | (B) by inserting ", and the election to |
| 15 | which the operating expenditure relates" after |
| 16 | "operating expenditure". |
| 17 | SEC. 4. REPORTING OF ELECTION ACTIVITY OF PERSONS |
| 18 | OTHER THAN POLITICAL PARTIES. |
| 19 | Section 304 of the Federal Election Campaign Act |
| 20 | of 1971 (2 U.S.C. 434), as amended by section 3(a), is |
| 21 | amended by adding at the end the following new sub- |
| 22 | section: |
| 23 | "(j) Election Activity of Persons Other Than |
| 24 | Political Parties.— |

- "(1) Requirement described.—(A) If any person to which section 323 does not apply makes (or obligates to make) disbursements for Federal election activities (as defined in section 301(20)) in excess of \$2,000, such person shall file a statement—
 - "(i) on or before the date that is 48 hours before the disbursements (or obligations) are made; or
 - "(ii) in the case of disbursements (or obligations) that are required to be made within 14 days of the election, on or before such 14th day.
 - "(B) An additional statement shall be filed each time additional disbursements aggregating \$2,000 are made (or obligated to be made) by a person described in subparagraph (A).
 - "(2) Contents of Statement.—Any statement under this section shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, and the Secretary of State (or equivalent official) of the State involved, as appropriate, and shall contain such information as the Commission shall prescribe, including whether the disbursement is in support of, or in opposition to, 1 or more candidates or any political party. The Sec-

| 1 | retary of the Senate or Clerk of the House of Rep- |
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| 2 | resentatives shall, as soon as possible (but not later |
| 3 | than 24 hours after receipt), transmit a statement |
| 4 | to the Commission. Not later than 48 hours after re- |
| 5 | ceipt, the Commission shall transmit the statement |
| 6 | to— |
| 7 | "(A) the candidates or political parties in- |
| 8 | volved; or |
| 9 | "(B) if the disbursement is not in support |
| 10 | of, or in opposition to, a candidate or political |
| 11 | party, the State committees of each political |
| 12 | party in the State involved. |
| 13 | "(3) Determinations by commission.—The |
| 14 | Commission may make its own determination that |
| 15 | disbursements described in paragraph (1) have been |
| 16 | made or are obligated to be made. The Commission |
| 17 | shall notify the candidates or political parties de- |
| 18 | scribed in paragraph (2) not later than 24 hours |
| 19 | after its determination. |
| 20 | "(4) Exceptions.—This subsection shall not |
| 21 | apply to— |
| 22 | "(A) a candidate or a candidate's author- |
| 23 | ized committees; or |
| 24 | "(B) an independent expenditure (as de- |
| 25 | fined in section 301(17)).". |

SEC. 5. CONTRIBUTIONS THROUGH INTERMEDIARIES AND 2 CONDUITS. 3 Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read 4 5 as follows: 6 "(8) For the purposes of this subsection: 7 "(A) Contributions made by a person, either di-8 rectly or indirectly, to or on behalf of a particular 9 candidate, including contributions that are in any 10 way earmarked or otherwise directed through an 11 intermediary or conduit to a candidate, shall be 12 treated as contributions from the person to the can-13 didate. If a contribution is made to a candidate 14 through an intermediary or conduit, the inter-15 mediary or conduit shall report the original source 16 and the intended recipient of the contribution to the 17 Commission and the intended recipient. 18 "(B) Contributions made directly or indirectly 19 by a person to or on behalf of a particular candidate 20 through an intermediary or conduit, including con-21 tributions arranged to be made by an intermediary 22 or conduit, shall be treated as contributions from the 23 intermediary or conduit to the candidate if— 24 "(i) the contributions made through the 25 intermediary or conduit are in the form of a

check or other negotiable instrument made pay-

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| 1 | able to the intermediary or conduit rather than |
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| 2 | the intended recipient; or |
| 3 | "(ii) the intermediary or conduit is— |
| 4 | "(I) a political committee, a political |
| 5 | party, or an officer, employee, or agent of |
| 6 | either; |
| 7 | "(II) a person whose activities are re- |
| 8 | quired to be reported under section 4 of |
| 9 | the Lobbying Disclosure Act of 1995 (2 |
| 10 | U.S.C. 1603), the Foreign Agents Reg- |
| 11 | istration Act of 1938 (22 U.S.C. 611 et |
| 12 | seq.), or any successor Federal law requir- |
| 13 | ing a person who is a lobbyist or foreign |
| 14 | agent to report the activities of such per- |
| 15 | son; |
| 16 | "(III) a person who is prohibited from |
| 17 | making contributions under section 316 or |
| 18 | a partnership; or |
| 19 | "(IV) an officer, employee, or agent of |
| 20 | a person described in subclause (II) or |
| 21 | (III) acting on behalf of such person. |
| 22 | "(C) The term contributions arranged to be |
| 23 | made' includes— |
| 24 | "(i) contributions delivered directly or indi- |
| 25 | rectly to a particular candidate or the can- |

| 1 | didate's authorized committee or agent by the |
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| 2 | person who facilitated the contribution; and |
| 3 | "(ii) contributions made directly or indi- |
| 4 | rectly to a particular candidate or the can- |
| 5 | didate's authorized committee or agent that are |
| 6 | provided at a fundraising event sponsored by an |
| 7 | intermediary or conduit described in subpara- |
| 8 | graph (B). |
| 9 | "(D) This paragraph shall not prohibit— |
| 10 | "(i) fundraising efforts for the benefit of a |
| 11 | candidate that are conducted by another can- |
| 12 | didate or Federal officeholder; or |
| 13 | "(ii) the solicitation by an individual using |
| 14 | the individual's resources and acting in the in- |
| 15 | dividual's own name of contributions from other |
| 16 | persons in a manner not described in para- |
| 17 | graphs (B) and (C).". |
| 18 | SEC. 6. EFFECTIVE DATE. |
| 19 | The amendments made by this Act shall apply with |
| 20 | respect to elections occurring after December 31, 2006. |

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